

AMENDED IN SENATE AUGUST 10, 2000

AMENDED IN SENATE JUNE 29, 2000

AMENDED IN SENATE MARCH 23, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 700

**Introduced by Assembly Member Thomson
(Coauthors: Assembly Members Corbett, Davis, Kuehl, and
Migden)**

February 24, 1999

An act to add ~~Sections 5071.1 and 5071.2~~ *Section 5071.1* to the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 700, as amended, Thomson. Special interest license plates: Girl Scouts.

(1) Existing law requires the Department of Motor Vehicles to issue specific special interest license plates in accordance with a specified procedure.

(2) This bill would require the department to issue special interest license plates that bear the logo of the Girl Scouts of the United States of America. The bill would prescribe the fees to be paid for the issuance, renewal, retention, transfer, and substitution of the plates, and would require those fees, after deduction of administrative costs, to be deposited in the Girl Scouts License Plate Fund, which the bill would create in the General Fund, for allocation by the Controller to the

Girl Scout Councils of California for scout activities, as specified.

~~The bill would require any organization participating in a special interest license plate program pursuant to this bill to comply with *specifie all of the* statutory requirements applicable only to the special interest license plate program provided by this bill and would make the existing general provisions inapplicable as to this bill imposed generally on organizations participating in special interest license plate programs. This bill would authorize an organization to apply to the department for participation in the special interest license plate program provided by this bill and the department would be required to issue special license plates for that program if the organizations meets certain criteria.~~

~~This bill would require the organization applying for these special license plates to do the following: be tax exempt, submit a financial plan describing the purpose for which certain revenues generated from the sale of the plates will be used, and submit an essential design of the proposed special interest license plate that, among other things, provides for the placement of the number and letter characters in a manner that allows for law enforcement to readily identify those characters.~~

~~This bill would also set forth certain design criteria for these special interest license plates for a passenger vehicle, commercial vehicle, or trailer, including allowing the plates to contain a descriptive message, as an alternative to the design or decal. The bill would set separate design criteria for special interest license plates for motorcycles.~~

~~This bill would declare that no less than 7,500 applicants are needed for an organization to participate in this program. The bill would require the department, if the number of currently outstanding and valid special interest license plates in this program, is less than 7,500, to notify the sponsoring organization of that fact and to inform the organization, that number is less than 7,500 one year from the date of notification, the department will no longer issue or replace those special interest license plates.~~

~~This bill would require the department to deposit remaining revenues generated from the issuance, renewal,~~

~~extension, replacement, or transfer of special interest license plates in a fund required to be established by the Controller.~~

~~This bill would limit participating organizations from annually expending 25% of the funds that the organization receives from the additional fees on administrative costs as well as marketing and promotional costs. Because under existing law a violation of this restriction is a crime, this bill would create a state-mandated local program by expanding the scope of that crime.~~

~~This bill would also require every organization authorized to offer the special interest license plates herein specified, to prepare and submit an annual accounting report to the department by June 30. This bill would, if the organization violates the 25% expenditure restriction, require the department to cease depositing fees in the fund established by the Controller, as described above, and, instead, would require those fees to be deposited in a second fund created by the Controller which would be subject to appropriation by the Legislature. This bill would require the department to immediately notify the organization of this course of action. This bill would prohibit the department from issuing or replacing the special interest license plates associated with that organization, if, one year after the date the organization receives the notice, the organization is still unable to satisfactorily demonstrate to the department that it is in compliance or will comply with the 25% expenditure restriction. This bill would require the department to transmit an annual consolidated report to the Legislature.~~

~~(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

~~Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes *no*.~~

The people of the State of California do enact as follows:

1 SECTION 1. Section 5071.1 is added to the Vehicle
2 Code, to read:

3 5071.1. (a) The department, in consultation with the
4 Girl Scout Councils of California, shall design and make
5 available for issuance special license plates, in accordance
6 with Section ~~5071.2~~ 5060, bearing a design depicting the
7 logo of the Girl Scouts of the United States of America.
8 Any person described in Section 5101, upon payment of
9 the additional fee set forth in subdivision (b), may apply
10 for and be issued a set of special interest license plates
11 described in this subdivision.

12 (b) In addition to the regular fees for an original
13 registration, a renewal of registration, or a transfer or
14 substitution of the license plates, the following additional
15 fees shall be paid for the issuance, renewal, retention,
16 transfer, or substitution of the special interest license
17 plates authorized by this section:

18 (1) For the original issuance of the plates, fifty dollars
19 (\$50).

20 (2) For a renewal of registration of the plates, or
21 retention of the plates if renewal is not required, forty
22 dollars (\$40).

23 (3) For transfer of the plates to another vehicle, fifteen
24 dollars (\$15).

25 (4) For each substitute replacement plate, thirty-five
26 dollars (\$35).

27 (c) After deducting administrative costs incurred by
28 the department to implement this section, the
29 department shall deposit the additional revenue derived
30 from the issuance, renewal, retention, transfer, and
31 substitution of the special interest license plates in the
32 Girl Scouts License Plate Fund, which is hereby created
33 in the General Fund.

34 (d) Upon appropriation by the Legislature, the money
35 in the fund shall be allocated by the Controller to the Girl
36 Scout Councils of California for the purpose of funding
37 the promotion of Girl Scout membership including
38 outreach efforts in underserved areas, camping, field

trips, wider opportunities, mentoring programs, volunteer training, and other Girl Scout opportunities, and for the promotion of the Girl Scout License Plate Program.

~~(e) Notwithstanding Section 5060, any~~

~~(e) Any organization participating in the special interest license plate program pursuant to this section shall comply with all of the requirements imposed on participating organizations pursuant to Section 5071.2 5060.~~

~~SEC. 2. Section 5071.2 is added to the Vehicle Code, to read:~~

~~5071.2. (a) An organization may apply to the department for participation in a special interest license plate program and the department shall issue special license plates for that program if the issuance of those plates is required by Section 5071.1, the sponsoring organization complies with the requirements of this section, and the organization meets all of the following criteria:~~

~~(1) Qualifies for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and subdivision (d) of Section 23701 of the Revenue and Taxation Code.~~

~~(2) Submits a financial plan describing the purposes for which the revenues described in paragraph (2) of subdivision (e) will be used.~~

~~(3) Submits a design of the organization's proposed special interest license plate that, among other things, provides for the placement of the number and letter characters in a manner that allows for law enforcement to readily identify those characters.~~

~~(b) Any person described in Section 5101 may apply for these special interest license plates, in lieu of the regular license plates:~~

~~(e) The design criteria for a special interest license plate required under Section 5071.1 are as follows:~~

~~(1) The license plate for a passenger vehicle, commercial vehicle, or trailer shall provide a space not larger than two inches by three inches to the left of the numerical series and a space not larger than five eighths~~

1 of an inch in height below the numerical series for a
2 distinctive design, decal, or descriptive message as
3 authorized by this article. The plates shall be issued in
4 sequential numerical order or, pursuant to Section 5103,
5 in a combination of numbers or letters.

6 (2) Special interest license plates required under
7 Section 5071.1 may be issued for use on a motorcycle. That
8 license plate shall contain a five digit configuration issued
9 in sequential numerical order or, pursuant to Section
10 5103, in a combination of numbers or letters. There shall
11 be a space to the left of the numerical series for a
12 distinctive design or decal and the characters shall
13 contrast sharply with the uniform background color. No
14 motorcycle plate containing a full plate graphic design is
15 authorized.

16 (d) (1) No organization may be included in the
17 program until not less than 7,500 applications for the
18 particular special interest license plates are received.
19 Each organization shall collect and hold applications for
20 the plates. Once the organization has received at least
21 7,500 applications, it shall submit the applications, along
22 with the necessary fees, to the department. The
23 department shall not issue any special interest license
24 plate until an organization has received and submitted to
25 the department not less than 7,500 applications for the
26 special interest license plate described in Section 5071.1
27 within the time period prescribed in this section.
28 Advanced payment to the department by an organization
29 representing the department's estimated or actual
30 administrative costs associated with the issuance of the
31 special interest license plate shall not constitute
32 compliance with this requirement. The organization shall
33 have 12 months to receive the required number of
34 applications. If, after that 12 months, 7,500 applications
35 have not been received, the organization shall
36 immediately do either of the following:

37 (A) Refund to all applicants any fees or deposits that
38 have been collected.

39 (B) Contact the department to indicate the
40 organization's intent to undertake collection of additional

~~1 applications and fees or deposits for an additional period,
2 not to exceed 12 months, in order to obtain the minimum
3 7,500 applications. If an organization elects to exercise the
4 option under this paragraph, it shall contact each
5 applicant who has submitted an application with the
6 appropriate fees or deposits to determine if the applicant
7 wishes a refund of fees or deposits or requests the
8 continuance of the holding of the application and fees or
9 deposits until that time that the organization has received
10 7,500 applications. The organization shall refund the fees
11 or deposits to any applicant so requesting. In no event
12 shall an organization collect and hold applications for a
13 period exceeding 24 months following the date of
14 authorization as described in paragraph (2) of subdivision
15 (a).~~

~~16 (C) Sequential plate fees shall be paid for the original
17 issuance, renewal, retention, replacement, or transfer of
18 the special interest license plate as determined by the
19 organization and authorized by department's
20 regulations. Those plates containing a personalized
21 message are subject to the fees required pursuant to
22 Sections 5106 and 5108 in addition to any fees required by
23 Section 5071.1.~~

~~24 (2) (A) If the number of currently outstanding and
25 valid special interest license plates in any particular
26 program provided for in Section 5071.1 is less than 7,500,
27 the department shall notify the sponsoring organization
28 of that fact and shall inform the organization that if that
29 number is less than 7,500 one year from the date of that
30 notification, the department will no longer issue or
31 replace those special interest license plates.~~

~~32 (B) Those particular special interest license plates that
33 were issued prior to the discontinuation provided by
34 subparagraph (A) may continue to be used and attached
35 to the vehicle for which they were issued and may be
36 renewed, retained, or transferred pursuant to this code.~~

~~37 (e) (1) The department shall deduct its costs to
38 develop and administer the special interest license plate
39 program from the revenues collected for the plates.~~

~~(2) The department shall deposit the remaining revenues from the original issuance, renewal, retention, replacement, or transfer of the special interest license plate in a fund which shall be established by the Controller.~~

~~(f) When payment of renewal fees is not required as specified in Section 4000, or when a person determines to retain the special interest license plate upon a sale, trade, or other release of the vehicle upon which the plate has been displayed, the person shall notify the department and the person may retain and use the plate as authorized by department regulations.~~

~~(g) An organization that is eligible to participate in a special interest license plate program pursuant to Section 5071.1 and receives funds from the additional fees collected from the sale of special license plates shall not expend annually more than 25 percent of those funds on administrative costs, marketing, or other promotional activities associated with encouraging application for, or renewal of, the special license plates.~~

~~(h) (1) Every organization authorized under this section and Section 5071.1 to offer special interest license plates shall prepare and submit an annual accounting report to the department by June 30. The report shall include an accounting of all revenues and expenditures associated with that special interest license plate program.~~

~~(2) If an organization submits a report pursuant to paragraph (1) indicating that the organization violated the expenditure restriction set forth in subdivision (g), the department shall immediately cease depositing fees in the fund created by the Controller for that organization under paragraph (2) of subdivision (e) and, instead, shall deposit those fees that would have otherwise been deposited in that fund in a separate fund created by the Controller, which fund is subject to appropriation by the Legislature. The department shall immediately notify the organization of this course of action. The depositing of funds in the account established pursuant to this paragraph shall continue until the organization~~

1 ~~demonstrates to the satisfaction of the department that~~
2 ~~the organization is in compliance or will comply with the~~
3 ~~requirements of subdivision (g). If one year from the date~~
4 ~~that the organization receives the notice described in this~~
5 ~~paragraph, the organization is still unable to satisfactorily~~
6 ~~demonstrate to the department that it is in compliance or~~
7 ~~will comply with the requirements of subdivision (g), the~~
8 ~~department shall no longer issue or replace those special~~
9 ~~interest license plates associated with that organization.~~
10 ~~Those particular special interest license plates that were~~
11 ~~issued prior to the discontinuation provided by this~~
12 ~~paragraph may continue to be used and attached to the~~
13 ~~vehicle for which they were issued and may be renewed,~~
14 ~~retained, or transferred pursuant to this code.~~

15 ~~(3) Upon receiving the reports required under~~
16 ~~paragraph (1), the department shall prepare and~~
17 ~~transmit an annual consolidated report to the Legislature~~
18 ~~containing the revenue and expenditure data.~~

19 ~~SEC. 3. No reimbursement is required by this act~~
20 ~~pursuant to Section 6 of Article XIII B of the California~~
21 ~~Constitution because the only costs that may be incurred~~
22 ~~by a local agency or school district will be incurred~~
23 ~~because this act creates a new crime or infraction,~~
24 ~~eliminates a crime or infraction, or changes the penalty~~
25 ~~for a crime or infraction, within the meaning of Section~~
26 ~~17556 of the Government Code, or changes the definition~~
27 ~~of a crime within the meaning of Section 6 of Article~~
28 ~~XIII B of the California Constitution.~~